

7. Explain the various bases of international tax system. What are the major forms of taxes an international firm is subjected to ?

UNIT - IV

8. Describe the procedure for issuing Euro-equities. How does an Indian company benefit from euro-equity issue ?
9. Write notes on :
- (a) Cost of capital of MNCs
- (b) Currency risk.

56086-600-(P-4)(Q-9)(16) (4)

Roll No.

56086

**MBA 2 Year 4th Semester (N.S.)
(Re-appear) Examination-
December, 2016**

INTERNATIONAL FINANCIAL MANAGEMENT

Paper : MBA-418

Time : 3 hours

Max. Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard will be entertained after the examination.

Note : Attempt **compulsory** question no. 1 from Section-A and **four** questions from Section-B (**one** question from each unit) All questions carry equal marks.

SECTION - A

1. (a) What is an ethnocentric firm ?

56086-600-(P-4)(Q-9)(16) (1)

[Turn Over

- (b) What are the benefits of international business ?
- (c) Why are current assets called circulating assets ?
- (d) What are parallel loans ?
- (e) How does leading help the cash management ?
- (f) What is country risk ?
- (g) What are the elements and capital structures of MNCs ?
- (h) What are the costs of financing ?

SECTION - B

UNIT - I

- 2. Highlight the complexities of international financial management as compared to domestic financial management.

56086-600-(P-4)(Q-9)(16) (2)

- 3. Discuss the types and advantages of international debt instruments. What is the risk involved in them ?

UNIT - II

- 4. What are the determinants of cash requirement of MNCs ? Can the cash level be optimised ?
- 5. Explain the meaning and benefits of netting. Also describe the mechanism of bilateral and multilateral netting.

UNIT - III

- 6. How does an MNC benefit from FDI ? How does FDI impact the economy of a country ?

56086-600-(P-4)(Q-9)(16) (3) [Turn Over